

RESOLUTION NO. 2001-02

A RESOLUTION AUTHORIZING AND APPROVING A GOVERNMENTAL LEASE-PURCHASE OPTION AGREEMENT TO PROVIDE EQUIPMENT FOR THE PUBLIC WORKS DEPARTMENT OF THE TOWN OF SILVERTON, COLORADO.

WHEREAS, the Board of Trustees of the Town of Silverton, Colorado (the "Lessee") has determined that the acquisition of certain equipment is necessary and desirable for use by the Town in the operation and maintenance of the streets, the water system, and the sewer system;

WHEREAS, the Board of Trustees has determined that the Governmental Lease-Purchase Agreement is the most effective way to finance the acquisition of the equipment;

WHEREAS, the Town of Silverton and the Citizens State Bank of Ouray (the "Lessor") have agreed to a Governmental Lease-Purchase Agreement for the acquisition of the equipment;

WHEREAS, the Town of Silverton does not have sufficient funds appropriated and available for the purchase of the equipment; and

WHEREAS, the Lessee has determined that the Town of Silverton has the authority to enter into a Governmental Lease-Purchase Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILVERTON, COLORADO, THAT:

1. The Board of Trustees hereby authorizes and approves a Governmental Lease-Purchase Agreement with Citizens State Bank of Ouray providing for a lease with an option to purchase a Caterpillar 938G Wheel Loader (S/N 4YS02002) for a total lease price of one hundred forty-five thousand three hundred seventy-one dollars, which shall be paid in sixty monthly lease installments in accordance with said Lease-Purchase Agreement. Such lease shall be based on an interest rate of 5.85% per annum. The lease may be terminated early in accordance with the terms of the Agreement, without penalty.
2. This Governmental Lease-Purchase Agreement is the most effective means of financing equipment which is necessary for the Town of Silverton. The Board of Trustees finds that the term of the Governmental Lease-Purchase Agreement does not exceed the weighted average useful life of the asset to be acquired pursuant to the terms of C.R.S. 29-1-103(3)(e)(I).
3. Appropriate Town officials are authorized to execute any and all documents necessary to create a valid Governmental Lease-Purchase Agreement on the terms set forth in Section 1.
4. The Town of Silverton has lawful authority to enter into the Governmental Lease-Purchase Agreement and will use all lawful means to provide funds for the required lease payments, insurance and proper maintenance of the equipment in its annual budgets.

ADOPTED this 9th day of April, 2001.

ATTEST:

By: Deanna M. Jaramillo
Deanna M. Jaramillo
Town Clerk-Treasurer

TOWN OF SILVERTON, COLORADO

By: Ernest F. Kuhlman
Ernest F. Kuhlman
Mayor